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Subject: Ozone in the News - OTC Warns Designations Delay Will...

OTC Warns Designations Delay Will... has been added



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Title: OTC Warns Designations Delay Will Stop 'Momentum' On Reducing Ozone

Body:

OTC Warns Designations Delay Will Stop 'Momentum' On Reducing Ozone

June 07, 2017

SARATOGA SPRINGS, NY -- Members of the Ozone Transport Commission (OTC) of Northeast and Mid-Atlantic states are warning that early data show 2017 ozone levels are worsening and that EPA's one-year delay for implementing the 2015 ozone ambient air limit risks stopping the states' "momentum" on tackling ozone air pollution.

Anne Gobin, air director for Connecticut, said at the OTC's spring meeting here June 6 that she opposed any delay in implementation of the 2015 ozone standard, which she said would not be good for public health.

OTC Executive Director Dave Foerter said "we have a momentum" on meeting the 2015 ozone national ambient air quality standard (NAAQS) of 70 parts per billion (ppb) and the weaker 2008 ozone limit of 75 ppb. EPA "putting a pause on things doesn't work very well" for those efforts, he warned. That momentum could be hampered by the agency's delay announced June 6, and because of a looming potential bad year for ozone levels.

The latest OTC computer modeling presented at the meeting suggests several OTC areas, including Connecticut, New York City and Maryland will fail to meet even the more lenient 75 ppb NAAQS by 2023, and that these states plus New Jersey will also fail to meet the 2015 NAAQS in 2020. States can face the ultimate threat of having their federal highway funds withheld if they fail to come into attainment with federal air standards.

Much of the air pollution responsible comes from outside the OTC area, making swift implementation of ozone standards essential to the OTC member states. And 2017 looks set to be a bad year for ozone in the region, according to monitoring results and weather predictions for the summer, OTC projections show.

The OTC members discussed the one-year delay of designations for areas as either attaining or in nonattainment for the 2015 standards as a potential future action because EPA had not announced it. The designations are critical because once they are issued it triggers the air law mandate for states to craft ozone reduction plans.

Mike Koerber of EPA's Office of Air Quality Planning & Standards said at the meeting that no decision had been made on a one-year delay. "We have not said we are doing that" and no decision on it has been taken but "it is on the table," Koerber said. The move would be legal if EPA lacks sufficient data to make a determination on attainment for a given area, he said. Koerber said the Trump administration is taking a "very deliberative approach."

Just hours later EPA issued a press release announcing that agency Administrator Scott Pruitt is delaying by one year -- from Oct. 1 this year to Oct. 1, 2018 -- the deadline for issuing designations for whether areas are in attainment or nonattainment with the 2015 NAAQS because he has "insufficient information."

Designations Delay

In <u>a June 6 letter</u> to Arizona Gov. Doug Ducey (R), Pruitt says the extra year will give EPA more time to collect "the most recent air quality data" to make the designations.

He also said that the additional time will allow the agency to conduct its <u>previously announced review</u> of the Obama EPA's decision to tighten the ozone limit in 2015. As part of that review, EPA will consider issues such as the role of naturally occurring "background" ozone in affecting states' ozone levels, "appropriately accounting" for ozone transported internationally, and considering the role of "exceptional events" such as uncontrollable and unplanned dust winds or wild fires that can affect a states' overall ozone air pollution.

Pruitt also says that, in line with language in the fiscal year 2017 omnibus funding law, he is establishing an Ozone Cooperative Compliance Task Force to "develop additional flexibilities for states to comply with the ozone standard," arguing that costs of compliance with the standard have "significantly increased."

In a press release announcing the one-year designations delay, Pruitt said, "We share the goal of clean air, a robust economy and stronger, healthier communities. We are committed to working with states and local officials to effectively implement the ozone standard in a manner that is supportive of air quality improvement efforts without interfering with local decisions or impeding economic growth."

The letter to Ducey claims that since 1980, total emissions of the six criteria pollutants regulated under the NAAQS program have dropped 63 percent and ozone specifically by 33 percent.

Republican lawmakers and some industry groups have criticized the situation under which states must take steps to comply with the standard and the 2008 NAAQS of 75 ppb at the same time. Many oppose the 70 ppb standard as needlessly tough or even unattainable, threatening to throw areas into nonattainment, a status that requires them to impose costly pollution controls on industry or face the ultimate sanction of losing federal highway dollars. Many further complain about the administrative burden of meeting two standards at once.

That concern prompted the FY17 law language, and various bills have been introduced in the House and Senate aiming to delay implementation of the 2015 ozone NAAQS, lengthen the NAAQS implementation cycle from five to 10 years, allow EPA to consider technical feasibility of implementation, and other measures.

Ozone Pollution

But OTC members at the spring meeting made clear that 2017 could see increases in ozone pollution levels, and that more work needs to be done to bring overall ozone levels down.

OTC at its meeting <u>issued a formal statement</u> opposing the GOP legislation targeting the ozone NAAQS, specifically S. 263, S. 452 and H.R. 806. All three of these bills, if enacted, "will postpone

the substantial public health and environmental benefits offered by the 2015 NAAQS for almost a decade," the group says.

Ali Mirzakhalili, air director for Delaware, said he found it difficult to reconcile the administration's actions on a range of environmental programs with its professed focus on attaining ozone and other air quality standards.

He "pushed back a little" on the "narrative" driving GOP bills to soften implementation of the ozone NAAQS or an administrative delay, which holds that it is somehow unreasonable for the 2008 and 2015 ozone NAAQS to co-exist. "It is the same pollutant," and if you reduce the precursors, you reduce ozone, he said.

Maryland air director George 'Tad' Aburn said that while great progress is being made in reducing ozone regionally, "we are missing the daily or episodic part of the problem." OTC states have long complained that certain upwind power plants that they cannot regulate but which are contributing to ozone problems downwind are not running their pollution controls on hot days already conducive to ozone pollution, so far to no avail.

Under emissions trading established by EPA's Cross-State Air Pollution Rule (CSAPR) nitrogen oxides (NOx) and sulfur dioxide trading program, power plants can legally buy NOx allowances rather than running their controls on such hot days. If NOx allowances are too cheap, plants have no incentive to run controls.

The Obama EPA's 2016 "update" to the CSAPR rule was intended in part to address this problem, reducing emissions caps on ozone-forming NOx for states and driving up allowance prices.

While OTC figures show that allowance prices have ticked up, they have not yet reached the \$800 per ton level that the group believes represents the cost of running controls such as selective catalytic reduction.

CSAPR Revision

EPA staff at the meeting said there are currently no plans for another revision to CSAPR, which even in its updated form does not fully ensure compliance with the 2008 ozone NAAQS and does not address the tougher 2015 NAAQS. EPA issued a notice of data availability (NODA) early this year with some calculations showing which areas "contribute significantly" to pollution in other states, which states could use in writing their NAAQS compliance plans. The agency is now sifting through extensive public comment on that, EPA staff said.

EPA's Reid Harvey, head of Clean Air Markets, noted that the agency's CSAPR update rule is now in effect, and EPA continues to work on its technical implementation, including conversion of banked NOx allowances from the old program to the new one. "We believe implementation of this rule is feasible," he said.

But he also noted ongoing litigation against the rule brought by states and industry in the U.S. Court of Appeals for the District of Columbia Circuit, in *State of Wisconsin, et al. v. EPA, et al.* While EPA has halted lawsuits over other clean air matters, including the 2015 NAAQS, *State of Wisconsin* is still scheduled for briefing, with EPA's brief due in November and oral argument not likely until after January 2018, Harvey noted. -- *Stuart Parker* (sparker@iwpnews.com)

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